

ARIZONA CORPORATION COMMISSION
APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY
WATER AND/OR SEWER

General Information:

The attached forms have been prepared by the Utilities Division of the Arizona Corporation Commission to assist Applicants filing for a Certificate of Convenience and Necessity. The information requirements of this application are designed to comply with the requirements of Arizona Revised Statutes Section 40-101 et. seq., and the Arizona Administrative Code R14-2-402.A/R14-2-602.A.

Use of the attached form is suggested unless an attorney uses a formal pleading format. The information requested in this application must be included within the pleading.

Attachment "A" is an example of a letter of transmittal addressed to the Utilities Division Docket Control Center. Please add information to the letter indicating the purpose and reasons for the application. This format should be used unless you are using a Company letterhead. Place this letter at the beginning of the application. Keep this instruction sheet for your information. Do not attach it to the application.

Instructions:

1. Complete the forms accurately, and attach all required documents. This will expedite the processing of the application.
2. Complete all the items that apply to your utility. If an item requested does not apply, mark it "not applicable" (N/A). If you do not complete an item, your application could be delayed.
3. If the space provided is insufficient, put the information on a separate sheet of paper and clearly label the information.
4. If an item is to be filed at a later date, mark the item "to be late filed by" and give the date by which it will be filed.
5. Have the application notarized.

6. Submit an original and ten copies of this application.
7. If you plan to finance the plant through debt (long term loans) or equity (stock issuance), a separate financing application must be made with separate notice to the public. A requirement sheet for filing a financing application, and a form of notice, will be sent to you at your request.
8. Attachment "E" is a form of public notification that must be provided all property owners in the area requested in this application. If fewer than 100 property owners, notice should be mailed within 15 days after the application is filed. If more than 100 property owners, notice should be given by mail or by publication at least once in a newspaper of general circulation in the service area within 15 days after the application is filed. Proof of notice should be filed with the Commission within 10 days after notice was mailed or published. Hearings will always be held. The Hearing Officer will specify any additional notice in a Procedural Order.

Filing:

When you have completed the application, mail or deliver it to:

Docket Control Center
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

ARIZONA CORPORATION COMMISSION
APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY
WATER AND/OR SEWER

A. The name, address and telephone number of the Applicant (Company) is:

B. If doing business (d.b.a.) under a name other than the Applicant (Company) name listed above, specify:

C. List the name, address and telephone number of the management contact:

D. List the name, address and telephone number of the attorney for the Applicant:

E. List the name, address and telephone number of the operator certified by the Arizona Department of Environmental Quality:

F. List the name, address and telephone number of the on-site manager of the utility:

G. The Applicant is a:

____ Corporation: ____ “C”, ____ “S”, ____ Non-Profit ____ Arizona, ____ Foreign	____ Partnership ____ Limited, ____ General ____ Arizona, ____ Foreign
____ Sole Proprietorship	____ Limited Liability Company (LLC)
____ Other (Specify)	

H. If Applicant is a corporation:

1. List names of Officers and Directors:

Officers

Directors

_____	_____
_____	_____
_____	_____

-
2. Attach a copy of the corporation's "Certificate of Good Standing" issued by the Corporation's Division of the Arizona Corporation Commission.
 3. Attach a copy of the Articles of Incorporation.
 4. Attach a copy of the corporation's By-Laws.
 5. If a for-profit corporation, indicate the number of shares of stock authorized for issue:
 6. If stock has been issued, indicate the number of shares issued and date of issue:
-

H. If the Applicant is a partnership:

1. List the names of the general partners:

2. List the name, address and telephone number of the managing partners:

3. Attach a copy of the Partnership's Articles of Partnership.

- If the Applicant is a foreign limited partnership, provide a copy of the Partnership's "Certificate of Registration" filed with the Arizona Secretary of State.

J. If the Applicant is a sole proprietor, list the name, address and telephone number of the proprietor:

K. If the Applicant is a Limited Liability Company:

1. List the names of managers:

L. List the names and addresses of any other public utility interest, which the applicant may have:

M. Attach a description of the area requested using **CADASTRAL** (quarter section description) or **Metes and Bounds** survey. References to parcels and dockets will not be accepted.

N. Attach a detailed map using the form provided as Attachment "B". Shade and outline the area requested. Also, indicate any other utility within the general area using different colors.

O. Attach financial information in a format similar to Attachment "C".

P. Explain the method of financing utility facilities. Refer to the instructions, item no. 7. (Use additional sheets if necessary):

Q. Estimated starting and completion dates of construction of utility facilities:

Starting date_____ Completion_____

R. Attach proposed Tariffs using either the water or sewer format of Attachment "D", unless the Utilities Division, prior to the filing of this application, approves another form.

S. Attach the following permits:

1. The franchise from either the City or County for the area requested.
2. The Arizona Department of Environmental Quality (or its designee's) approval to construct facilities.
3. The Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.)
4. Any U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.)
5. **(WATER ONLY)** If the area requested is within an Active Management Area, attach a copy of the utility's Designation of an Assured Water Supply, or the developer's Certificate of Assured Water Supply issued by the Arizona Department of Water Resources, whichever applies.
 - If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources, if applied for by the developer.
 - If the area requested is outside an Active Management Area and the developer does not obtain an Adequacy Statement, provide sufficient detail to prove that adequate water exists to provide water to the area requested.
6. Provide a copy of your estimated property taxes. This may be obtained by contacting the Arizona Department of Revenue, Division of Property Valuation and Equalization. You must provide them with a five (5) year projection of the original cost of the plant, depreciation expense, the location of the property and the school district.

T. Provide the following information:

1. Indicate the estimated number of customers, by class, to be served in each of the first five years of operation:

Residential:

First Year_____ Second Year_____ Third Year_____ Fourth Year_____

Fifth Year_____

Commercial:

First Year_____ Second Year_____ Third Year_____ Fourth Year_____

Fifth Year_____

Industrial:

First Year_____ Second Year_____ Third Year_____ Fourth Year_____

Fifth Year_____

Irrigation:

First Year_____ Second Year_____ Third Year_____ Fourth Year_____
Fifth Year_____

2. Indicate the projected annual water consumption or sewerage treatment, in gallons, for each of the customer classes for each of the first five years of operation:

Residential:

First Year_____ Second Year_____ Third Year_____ Fourth Year_____

Fifth Year_____

Commercial:

First Year_____ Second Year_____ Third Year_____ Fourth Year_____

Fifth Year_____

Industrial:

First Year_____ Second Year_____ Third Year_____ Fourth Year_____

Fifth Year_____

Irrigation:

First Year_____ Second Year_____ Third Year_____ Fourth Year_____

Fifth Year_____

3. Indicate the total estimated annual operating revenue for each of the first five years of operation:

Residential:

First Year_____ Second Year_____ Third Year_____

Fourth Year_____ Fifth Year_____

Commercial:

First Year_____ Second Year_____ Third Year_____

Fourth Year_____ Fifth Year_____

Industrial:

First Year_____ Second Year_____ Third Year_____

Fourth Year_____ Fifth Year_____

Irrigation:

First Year_____ Second Year_____ Third Year_____

Fourth Year_____ Fifth Year_____

4. Indicate the total estimated annual operating expenses for each of the first five years of operation:

Residential:

First Year_____ Second Year_____ Third Year_____

Fourth Year_____ Fifth Year_____

Commercial:

First Year_____ Second Year_____ Third Year_____

Fourth Year_____ Fifth Year_____

Industrial:

First Year_____ Second Year_____ Third Year_____

Fourth Year_____ Fifth Year_____

Irrigation:

First Year_____ Second Year_____ Third Year_____

Fourth Year_____ Fifth Year_____

5. Attach an itemized list of the major components of the water or sewer system (see Attachment C-3).
6. Indicate the total estimated cost to construct utility facilities:

(Signature of Authorized Representative)

(Type or Print Name Here)

(Title)

SUBSCRIBED AND SWORN to before me this ____day of _____, 20__

NOTARY PUBLIC

My Commission Expires_____

ATTACHMENT "A"

EXAMPLE ONLY

(Company Name)
(Mailing Address)
(City or Town and Zip Code)

(Date)

Docket Control Center
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, Arizona

Attached is an application by (Name of Company) for (indicate the type of application this is for).
The purpose of this application is to (explain the purpose for and reasons behind the application).

(Type Name Here and Sign)

ATTACHMENT "E"

PUBLIC NOTICE OF AN APPLICATION
FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY
BY [name of Company]

[Name of Company] has filed with the Arizona Corporation Commission ("Commission") an application for authority to provide [specific type of service] service to an area in which records indicate that you are a property owner. If the application is granted, [name of Company] would be the exclusive provider of [type of service] service to the proposed area. [Name of company] will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in [Phoenix at 1200 West Washington Street/Tucson at 400 West Congress, North Building, Room 218], and at [name of Company and address].

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at [1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000/400 West Congress, North Building, Room 218, Tucson, Arizona 85701 or call 1-800-535-0148].

ATTACHMENT "D"

WATER TARIFF SCHEDULE

RATES AND CHARGES

CUSTOMER/MINIMUM CHARGE
PER MONTH

<u>METER</u>	<u>CHARGE</u>	<u>GALLONS</u>
5/8 X 3/4"	\$_____	FOR_____
3/4"	\$_____	FOR_____
1"	\$_____	FOR_____
1 1/2"	\$_____	FOR_____
2"	\$_____	FOR_____
3"	\$_____	FOR_____
4"	\$_____	FOR_____
5"	\$_____	FOR_____
6"	\$_____	FOR_____

SERVICE LINE & METER
INSTALLATION CHARGES

<u>METER</u>	<u>CHARGE</u>
5/8 X 3/4"	\$_____
3/4"	\$_____
1"	\$_____
1 1/2"	\$_____
2"	\$_____
3"	\$_____
4"	\$_____
5"	\$_____
6"	\$_____

COMMODITY CHARGE (EXCESS OF MINIMUM):

\$_____ PER _____ GALLONS

FLAT RATE \$_____ PER MONTH

SERVICE CHARGES:

- | | |
|---|----------------|
| 1. ESTABLISHMENT (R14-2-403.D.1) | \$_____ |
| 2. ESTABLISHMENT/AFTER HOURS (R14-2-403.D.2) | \$_____ |
| 3. RECONNECTION/DELINQUENT (R14-2-403.D.1) | \$_____ |
| 4. NSF CHECK (R14-2-409.F.1) | \$_____ |
| 5. METER REREAD/IF CORRECT (R14-2-408.C.2) | \$_____ |
| 6. METER TEST/IF CORRECT (R14-2-408.F.1) | \$_____ |
| 7. DEFERRED PAYMENT (R14-2-409.G.6) | \$_____ |
| 8. DEPOSIT INTEREST (R14-2-403.B.3) | _____ % |
| 9. DEPOSIT (R14-2-403.B.7) | PER RULE |
| 10. REESTABLISHMENT W/N 12 MOs (R14-2-403.D.1) | MONTHS OFF THE |
| SYSTEM TIMES THE MINIMUM | |
| 11. <u>OTHER RATES & CHARGES APPROVED BY ORDER:</u> | |

IN ADDITION TO THE COLLECTION OF ITS REGULAR RATES AND CHARGES, THE COMPANY SHALL COLLECT FROM ITS CUSTOMERS THEIR PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES OR USE TAX

ATTACHMENT "C"

PROFORMA BALANCE SHEET (WATER)

ASSETS

Current Assets

Cash	\$	_____
Accounts Receivable		_____
Other		_____
Total Current Assets		_____

Fixed Assets

Utility Plant in Service		_____
(Less) Accumulated Depreciation		_____
Net Plant in Service		_____
Other		_____
TOTAL ASSETS	\$	_____

LIABILITIES AND CAPITAL

Current and Accrued Liabilities

Accounts Payable	\$	_____
Notes Payable		_____
Accrued Taxes		_____
Accrued Interest		_____
Other		_____
Total Current and Accrued Liabilities		_____

<u>Long-Term Debt</u>	\$	_____
Other		_____

Deferred Credits

Advances in Aid of Construction \$ _____

Contributions in Aid of Construction _____

Accumulated Deferred Income Tax _____

Total Deferred Credits \$ _____

TOTAL LIABILITIES \$ _____

CAPITAL ACCOUNT

Common Stock \$ _____

Preferred _____

Paid in Capital _____

Retained Earnings _____

Total Capital \$ _____

TOTAL LIABILITIES AND CAPITAL \$ _____

PROFORMA INCOME STATEMENT (WATER)

	<u>YR ONE</u>	<u>YR TWO</u>	<u>YR THREE</u>
REVENUE:			
Water Sales	_____	_____	_____
Establishment Charges	_____	_____	_____
Other Operating Revenue	_____	_____	_____
Total Operating Revenue	\$ _____	\$ _____	\$ _____
OPERATING EXPENSES:			
Salaries and Wages	\$ _____	\$ _____	\$ _____
Purchased Water	_____	_____	_____
Power Costs	_____	_____	_____
Water Testing	_____	_____	_____
Repairs and Maintenance	_____	_____	_____
Office Supplies Expense	_____	_____	_____
Outside Services	_____	_____	_____
Rents	_____	_____	_____
Transportation Expense	_____	_____	_____
Taxes Other than Property and income	_____	_____	_____
Depreciation	_____	_____	_____
Health and Life Insurance	_____	_____	_____
Income Taxes	_____	_____	_____
Property Tax	_____	_____	_____
Miscellaneous Operating	_____	_____	_____
Total Operating Expense	\$ _____	\$ _____	\$ _____
OPERATING INCOME OR (LOSS)	\$ _____	\$ _____	\$ _____
OTHER INCOME/EXPENSES:			
Interest Income	\$ _____	\$ _____	\$ _____
Other Income	_____	_____	_____
Other Expenses	_____	_____	_____
Interest Expenses	_____	_____	_____
TOTAL OTHER INCOME/EXPENSE	\$ _____	\$ _____	\$ _____
NET INCOME (LOSS)	\$ _____	\$ _____	\$ _____

CW-3
PROFORMA UTILITY PLANT IN SERVICE (WATER)
FIRST YEAR

	ORIGINAL COST	ACCUM. DEPRC.	ORIG. COST LESS DEPREC.
Organization	\$ _____	\$ _____	\$ _____
Franchises	_____	_____	_____
Land and Land Rights	_____	_____	_____
Wells and Springs	_____	_____	_____
Electric Pumping Equip.	_____	_____	_____
Water Treat. Equip.	_____	_____	_____
Distribution Reservoirs and Standpipes	_____	_____	_____
Transmission & Dist.	_____	_____	_____
Mains	_____	_____	_____
Services	_____	_____	_____
Meters	_____	_____	_____
Hydrants	_____	_____	_____
Other Plant Structures and Improvements	_____	_____	_____
Office Furniture and Fixtures	_____	_____	_____
Transportation Equipment	_____	_____	_____
Tools and Work Equipment	_____	_____	_____
Laboratory Equipment	_____	_____	_____
Power Operated Equipment	_____	_____	_____
Communication Equipment	_____	_____	_____
Other Tangible Plant	_____	_____	_____
TOTAL PLANT IN SERVICE	\$ _____	\$ _____	\$ _____

CW-4
ATTACHMENT "D"

SEWER TARIFF SCHEDULE

UTILITY: _____

PAGE __ OF __

RATES AND CHARGES

FLAT RATE

RESIDENTIAL \$ _____ PER MONTH

COMMERCIAL \$ _____ PER MONTH

BASED ON WATER USAGE

RESIDENTIAL MINIMUM \$ _____ FOR _____ GALLONS

EXCESS OF MINIMUM \$ _____ FOR _____ GALLONS

COMMERCIAL MINIMUM \$ _____ FOR _____ GALLONS

EXCESS OF MINIMUM \$ _____ FOR _____ GALLONS

EFFLUENT SALES: (if applicable)

\$ _____ PER _____ GALLONS

SERVICE LINE CONNECTION CHARGE \$ _____

SERVICE CHARGES:

- | | | |
|----|---|----------|
| 1. | ESTABLISHMENT (R14-2-603.D.1) | \$ _____ |
| 2. | RECONNECTION/DELINQUENT (R14-2-603.D.1) | \$ _____ |
| 3. | DEPOSIT (R14-2-603.B.7) | \$ _____ |
| 4. | DEPOSIT INTEREST (R14-2-603.B.3) | _____ % |
| 5. | REESTABLISHMENT W/N 12 MONTHS (R14-2-603.D.1) | \$ _____ |
| 6. | NSF CHECK (R14-2-608.E.1) | \$ _____ |
| 7. | LATE PAYMENT PENALTY (R14-2-608.F.1) | \$ _____ |

OTHER CHARGES AS SPECIFIED BY ORDER:

ATTACHMENT "C"

PROFORMA BALANCE SHEET (SEWER)

ASSETS

Current Assets

Cash	\$
Accounts Receivable	_____
Other	_____
Total Current Assets	_____

Fixed Assets

Utility Plant in Service	_____
(Less) Accumulated Depreciation	_____
Net Plant in Service	_____
Other	_____
TOTAL ASSETS	\$ _____

LIABILITIES AND CAPITAL

Current and Accrued Liabilities

Accounts Payable	\$
Notes Payable	_____
Accrued Taxes	_____
Accrued Interest	_____
Other	_____
Total Current and Accrued Liabilities	\$ _____

<u>Long-Term Debt</u>	\$
Other	_____

Deferred Credits

Advances in Aid of Construction	\$
Contributions in Aid of Construction	_____
Accumulated Deferred Income Tax	_____

Total Deferred Credits	\$

TOTAL LIABILITIES	\$

CAPITAL ACCOUNT

Common Stock	\$
Preferred	_____
Paid in Capital	_____
Retained Earnings	_____

Total Capital	\$

TOTAL LIABILITIES AND CAPITAL	\$

CS-2
PROFORMA INCOME STATEMENT (SEWER)

	<u>YR ONE</u>	<u>YR TWO</u>	<u>YR THREE</u>
REVENUE:			
Flat Rate Revenues	\$ _____	\$ _____	\$ _____
Measured Revenues	_____	_____	_____
Established Charges	_____	_____	_____
Other Operating Revenue	_____	_____	_____
Total Operating Revenue	\$ _____	\$ _____	\$ _____
OPERATING EXPENSES:			
Salaries and Wages	\$ _____	\$ _____	\$ _____
Purchased Sewer Treatment	_____	_____	_____
Sludge Removal Expense	_____	_____	_____
Purchased power for	_____	_____	_____
Pumping Treatment	_____	_____	_____
Sewage Treatment and	_____	_____	_____
Testing	_____	_____	_____
Repairs and Maintenance	_____	_____	_____
Office Supplies Expense	_____	_____	_____
Outside Services	_____	_____	_____
Rents	_____	_____	_____
Transportation Expense	_____	_____	_____
General Insurance	_____	_____	_____
Depreciation	_____	_____	_____
Health and Life Insurance	_____	_____	_____
Income Taxes	\$ _____	\$ _____	\$ _____
Property Tax	_____	_____	_____
Taxes Other than Property	_____	_____	_____
& Income	_____	_____	_____
Miscellaneous Operating	\$ _____	\$ _____	\$ _____
Total Operating Expense	_____	_____	_____
OPERATING INCOME OR LOSS	_____	_____	_____
OTHER INCOME/EXPENSES:	_____	_____	_____
Interest Income	\$ _____	\$ _____	\$ _____
Other Income	\$ _____	\$ _____	\$ _____
Other Expenses	_____	_____	_____
Interest Expenses	_____	_____	_____

CS-3

TOTAL OTHER INCOME/EXPENSE

NET INCOME (LOSS)

CS-4
PROFORMA UTILITY PLANT IN SERVICE (SEWER)
FIRST YEAR

PLANT	ORIGINAL COST	ACCUM. DEPRC.	ORIG. COST LESS DEPREC.
Organization	\$ _____	\$ _____	\$ _____
Franchises	_____	_____	_____
Land and Land Rights	_____	_____	_____
Structure and	_____	_____	_____
Improvements	_____	_____	_____
Collection	_____	_____	_____
Sewers/Collecting	_____	_____	_____
Structures/Force Mains	_____	_____	_____
Service to Customers	_____	_____	_____
Flowing Measuring Devices	_____	_____	_____
and Installations	_____	_____	_____
Receiveing Wells	_____	_____	_____
Electric Pumping Equip	_____	_____	_____
Treatment Disposal	_____	_____	_____
Equipment	_____	_____	_____
Plant	_____	_____	_____
Outfall Sewer Lines	_____	_____	_____
Other Plant Structures	_____	_____	_____
and Improvements	_____	_____	_____
Office Furniture and	_____	_____	_____
Fixtures	_____	_____	_____
Transportation Equipment	_____	_____	_____
Tools and Work Equipment	_____	_____	_____
Laboratory Equipment	_____	_____	_____
Power Operated Equipment	_____	_____	_____
Communication Equipment	_____	_____	_____
Miscellaneous Equipment	_____	_____	_____
Other Tangible Plant	_____	_____	_____
TOTAL PLANT IN SERVICE	\$ _____	\$ _____	\$ _____

ATTACHMENT "B"

COUNTY	SECTION	TOWNSHIP	RANGE

		6					5					4				3			2		1		
		7					8					9				1	0		1	1		1	2
		1	8				1	7				1	6			1	5		1	4		1	3
		1	9				2	0				2	1			2	2		2	3		2	4
		3	0				2	9				2	8			2	7		2	6		2	5
		3	1				3	2				3	3			3	4		3	5		3	6

Type or Print Description Here:
